Entered February 9,1966

BEFORE THE OIL CONSERVATION COMMISSION OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE HEARING CALLED BY THE OIL CONSERVATION COMMISSION OF NEW MEXICO FOR THE PURPOSE OF CONSIDERING:

> CASE No. 3371 Order No. R-3041

APPLICATION OF MIDWEST OIL CORPORATION FOR AN UNORTHODOX OIL WELL LOCATION, LEA COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. on January 26, 1966, at Santa Fe, New Mexico, before Examiner Elvis A. Utz.

NOW, on this <u>9th</u> day of February, 1966, the Commission, a quorum being present, having considered the testimony, the record, and the recommendations of the Examiner, and being fully advised in the premises,

FINDS:

(1) That due public notice having been given as required by law, the Commission has jurisdiction of this cause and the subject matter thereof.

(2) That the applicant, Midwest Oil Corporation, seeks an exception to the Special Rules and Regulations governing the Nonombre-Upper Pennsylvanian and Nonombre-Lower Pennsylvanian Pools to drill its Harris State Well No. 1 at an unorthodox location 660 feet from the South line and 1980 feet from the West line of Section 29, Township 13 South, Range 34 East, NMPM, Lea County, New Mexico.

(3) That the E/2 SW/4 and SW/4 SW/4 of said Section 29 can reasonably be presumed to be productive of oil in the subject pools, but the productivity of the NW/4 SW/4 of said Section 29 is doubtful in both pools.

(4) That approval of the subject application will impair correlative rights if the NW/4 SW/4 of said Section 29 is dedicated to the subject well.

-2-CASE No. 3371 Order No. R-3041

(5) That approval of the subject application will afford the applicant the opportunity to produce its just and equitable share of the oil from the subject pools and otherwise prevent waste and protect correlative rights, provided the E/2 SW/4 and SW/4 SW/4 of said Section 29 is dedicated to the subject well and the well does not receive more than a 120-acre allowable in either pool.

IT IS THEREFORE ORDERED:

(1) That the applicant, Midwest Oil Corporation, is hereby granted an exception to the Special Rules and Regulations governing the Nonombre-Upper Pennsylvanian and Nonombre-Lower Pennsylvanian Pools to drill its Harris State Well No. 1 at an unorthodox location 660 feet from the South line and 1980 feet from the West line of Section 29, Township 13 South, Range 34 East, NMPM, Lea County, New Mexico;

<u>PROVIDED HOWEVER</u>, that only the E/2 SW/4 and SW/4 SW/4 of said Section 29 shall be dedicated to the subject well, and said well shall not receive more than a 120-acre allowable in either pool.

(2) That jurisdiction of this cause is retained for the entry of such further orders as the Commission may deem necessary.

DONE at Santa Fe, New Mexico, on the day and year hereinabove designated.

STATE OF NEW MEXICO

CAMPBELL, Chairman CK M.

GUYTON B. HAYS, Member and any

A. L. PORTER, Jr., Member & Secretary

SEAL

esr/